

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC**

In the Matter of

**Implementation of Section 621(a)(1) of the Cable
Communications Policy Act of 1984 as amended
by the Cable Television Consumer Protection and
Competition Act of 1992**

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MB Docket No. 05-311

DECLARATION OF JEFF MNICK

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DECLARATION OF JEFF MNICK

I, Jeff Mnick, do hereby declare, under penalty of perjury, that the following is true and correct:

1. My name is Jeff Mnick. I am Vice President Sales and Marketing for the Guadalupe Valley Telephone Cooperative, Inc. ("GVTC"). My business address is 36101 FM 3159 New Braunfels, TX, 78132.

2. GVTC was founded in 1951. It serves 11 counties and over 2,000 square miles of territory in the Texas hill country north of San Antonio. It is the largest telephone cooperative in Texas and the eighth largest local exchange carrier in the state. It serves over 30,000 customers with over 41,000 access lines. In 1981, GVTC formed a subsidiary company, now called Guadalupe Valley Communications Systems, LP ("GVCS").

3. GVCS is a cable television operator. It has cable franchises in the cities of Boerne and Fair Oaks. GVCS serves approximately 7,800 subscribers. In October, 2005, it was awarded a state-issued franchise (State Issued Certificate of Franchise Authority or "SICFA") by the Texas Public Utilities Commission.

4. In 2004, GVTC and GVCS began to deploy a fiber-to-the-premises (“FTTP”) network. By the end of 2005, this network was deployed to approximately 600 homes.

5. GVCS has had a good relationship with the cable franchising authorities in the cities of Boerne and Fair Oaks and continues to upgrade these facilities and services. In the city of Bulverde, GVCS contemplated upgrading and expanding its cable network with FTTP so that it could offer the “triple-play” of services. FTTP also would provide numerous cost advantages over the life of the network. This cable system was originally constructed and operated at a time when a franchise was not required. GVCS determined that the expansion of the network would require it to obtain a new municipal franchise agreement. However, in addition to the time and costs associated with obtaining a franchise agreement, GVCS understood from the city that it would be required to meet all the requirements Bulverde had imposed on the incumbent cable operator. This included a build-out requirement to aerial subdivisions with at least 40 homes per mile and buried subdivisions with at least 80 homes per mile. GVCS determined that this requirement would make the expansion of its network uneconomical. It therefore decided not to expand its network and did not seek a franchise in the city of Bulverde.

6. With enactment of the state-issued franchising law in Texas in 2005, GVCS saw a new opportunity to expand its network into Bulverde. The Texas law provides for rapid entry, requiring that the state public utilities commission award a SICFA within 17 days of the application. It also permits the franchisee to designate the specific areas where it will build its network, which can be less than an entire municipality.

7. As stated earlier, GVCS immediately applied for and was awarded a SICFA, and it designated only specific areas in the city of Bulverde for deployment. Now that FTTP deployment is economical, GVCS is utilizing FTTP as a network solution in that area. Construction began in October, 2005, and service was launched one month later.

8. FTTP networks hold out tremendous promise for consumers, but because of their substantial upfront, sunk cost, it is essential that providers be able to sell the "triple-play" of voice, data (Internet access), and video as quickly as possible and on terms that make economic sense. The new Texas state-issued franchise law protects municipalities during the entry process by ensuring they are compensated for use of their rights-of-way. The law also encourages investment in infrastructure and job creation by streamlining the entry process. The Texas law is a model that other states and the federal government should follow.

This concludes my declaration.



Jeff Muck

Dated: 2/9/06